

MEDIA RELEASE

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Leaky home support extended

The passage of changes to the Weathertight Homes Resolution Services Act this evening is about ensuring assistance is available for families affected by leaky homes who otherwise would have been unfairly excluded, Building and Housing Minister Dr Nick Smith says.



"Three changes have been made to the existing legislation. The first change extends the definition of the 'built' date to align with a 2014 Supreme Court decision. The High Court and Court of Appeal had previously ruled that the 'built' date was the date of the last building inspection, but the Supreme Court determined it was when the code compliance certificate was issued, a date which in some cases is many months, and sometimes years later. This affects who is eligible for assistance, given the 10-year limitation on claims. The change will enable about 70 homeowners previously deemed ineligible to be able to pursue their claim without the expense of individually taking each case through the courts," Dr Smith says.

"The second change relates to the expiry of the Financial Assistance Package, which is due to occur on 23 July 2016. It is possible that by this date, some claims may still not have reached the 'notice to proceed' stage, which is the critical point of the claim process. This change means homeowners who are actively progressing claims in the system as of 23 July 2016 will be able to continue to do so, rather than have the expiry date arbitrarily prevent a claim from proceeding where good progress is being made."

"The third change will remove any doubt about the validity of the eligibility criteria for access to the Financial Assistance Package. Two of the criteria – 1B and 1C – are presently located in the Gazette notice by regulation, which the High Court has raised concerns about. The change means they are moved into the Act to provide a greater deal of legal certainty so that their validity cannot be questioned. Previous decisions made on the basis of these two criteria will be validated."

"In the five years this scheme has operated it has helped over 1450 homeowners repair or start repairing their leaky homes and eased the cost of the burden of repairs for owners. The changes passed today are sensible refinements to the Act."

Further information on the changes and eligibility for the Financial Assistance Package can be found at the Ministry of Business, Innovation and Employment's website at: www.building.govt.nz/faq